

Pursuant to Article 4.2, 4.7 and 7 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina (Official Gazette of BiH 7/02, 13/03, 76/09 and 1/11), Article 36 of the Rule of Practice and Procedure of the State Electricity Regulatory Commission (Official Gazette of BiH, 2/05) and Article 16 the Licensing Rule – consolidated text (Official Gazette of BiH, 63/16), the State Electricity Regulatory Commission, at the session held on 29 August 2018 adopted a

DECISION

ON ISSUANCE OF LICENCE FOR THE INTERNATIONAL ELECTRICITY TRADING ACTIVITY

1. A licence shall be issued to the Limited Liability Company *G-Petrol Sarajevo* for performance of the international electricity trading activity.
2. The licence referred to in Item 1 of this Decision shall be issued for the period from 1 September 2018 to 31 August 2023 and used pursuant to the Standard licensing conditions for performance of the international electricity trading activity (Official Gazette of BiH, 14/16).
3. This Decision shall come into force on the day of adoption and the statement of the Decision shall be published in the Official Gazette of BiH and official gazettes of the Entities.

Statement of Rationale

The Company *G-Petrol d.o.o. Sarajevo* (hereinafter: the applicant) was a holder of the temporary licence for the international electricity trading activity, recorded in the Licence Register of this Commission under registration number: 05-28-12-136-18/16 of 21 July 2016, which expired on 31 July 2018.

The holder of the previously valid licence failed to use the possibility of renewing a licence as defined in Article 48 of the Licensing Rule - consolidated text (Official Gazette of BiH, 63/16), i.e. the holder failed to express its intention to continue to perform the international electricity trading activity no later than 120 days before the expiry of the term of the existing licence. An application for the granting of a new licence was delivered to SERC upon expiry of this deadline, or, to be more specific, on 13 July 2018 and registered under number: 05-28-12-286-1/18, which resulted in the discontinuity in holding the licence during August 2018. The application filed was decided upon pursuant to SERC rules and regulations and Article 7 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina (Official Gazette of BiH, 7/02, 13/03, 76/09 and 1/11).

The application was submitted on the prescribed forms with a proof of previously paid application fee and relevant documents which enabled SERC to understand, consider and decide upon the submitted application of which SERC informed the applicant accordingly by its act number: 05-28-12-286-2/18 of 26 July 2018.

Having reviewed and checked all the formal elements of the application, first of all on 30 July 2018 SERC published a short public notice in daily newspapers and on its web site, summarising the application and determining the deadline for submission of public comments on the submitted licence application until 6 August 2018.

SERC concluded that the public had not submitted any comment on the application filed for the issuance of licence nor had any person expressed the interest to participate in the procedure in the capacity of the intervener upon the SERC public invitation.

The applicant fulfils indisputably all the criteria, conditions and standards prescribed by law and SERC rules and regulations to perform international trade in electricity because it constantly proved its technical, legal and financial capabilities during the two-year period of using the temporary licence and provided evidence of having ensured resources, organised conditions and established professional standards to continue to perform the same activity.

Monitoring of all aspects of compliance of the applicant's previous activities with the conditions and criteria for performance of the activity of international electricity trading provided SERC with the basis to initiate the issuance of the licence, i.e. to prepare a Draft decision on issuance of licence for the international electricity trading activity which would be valid for five years and used pursuant to the Standard licensing conditions for performance of the international electricity trading activity.

As of 9 August 2018, this document was made available to the applicant as well as all other interested members of the public who were also provided with an opportunity to give their comments during a general public hearing held on 14 August 2018 at the SERC seat in Tuzla preceded by publication of an adequate notice in daily newspapers and publication of the document on the SERC web site.

As even on the last occasion until 23 August 2018 following the SERC letter number: 05-28-12-286-14/18 of 16 August 2018, the applicant did not point out any disagreement with any provision of the proposal of the Decision, there were sufficient grounds to conclude that it was considered that the SERC's proposal was prepared in accordance with the Law on Transmission of Electric Power, Regulator and System Operator of BiH and secondary legislation dealing with the matters concerned.

In accordance with the aforementioned and also taking into account the evidence that the applicant had been previously granted the second tier licence for performance of the electricity supply activity in the territory of Bosnia and Herzegovina by the Regulatory Commission for Energy in the Federation of BiH valid until 14 March 2023, SERC decided as provided in the statement of this Decision.

Pursuant to Article 9.2 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina, proceedings may be initiated before the Court of Bosnia and Herzegovina by filing a lawsuit within sixty (60) days from the day of receiving this decision.

Number: 05-28-12-286-16/18

29 August 2018

Tuzla

Chairman of the Commission

Milorad Tuševljak